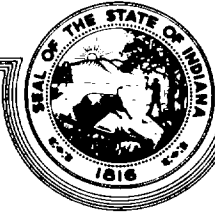


# STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION  
302 W. WASHINGTON STREET, ROOM E306



INDIANAPOLIS, 46204

**FILED**

**JUN 13 2000**

IN THE MATTER OF THE PETITION OF INDIANA )  
BELL TELEPHONE COMPANY, INCORPORATED, )  
D/B/A AMERITECH INDIANA PURSUANT TO )  
I.C. 8-1-2-61 FOR A THREE-PHASE PROCESS )  
FOR COMMISSION REVIEW OF VARIOUS )  
SUBMISSIONS OF AMERITECH INDIANA TO )  
SHOW COMPLIANCE WITH SECTION 271(C) OF )  
THE TELECOMMUNICATIONS ACT OF 1996 )

INDIANA UTILITY  
REGULATORY COMMISSION

CAUSE NO. 41657

You are hereby notified that on this date, the Indiana Utility Regulatory Commission has caused the following entry to be made:

On June 8, 2000, at 9:30 a.m., a Prehearing Conference and Preliminary Hearing was conducted in this Cause. The Office of the Utility Consumer Counselor was the only party appearing by counsel. No other parties appeared at the prehearing who have not previously intervened in this Cause. Subsequently, the presiding officers issued a docket entry memorializing the record made at the Prehearing Conference. One of the issues raised in that docket entry was that contracts between Ameritech and Commission consultants had not been executed. After the issuance of that docket entry, Ameritech Indiana filed its responses to the presiding officers' questions in the May 26, 2000 Docket Entry, which response appears in the following words and figures, to-wit:

(H.I.)

Ameritech Indiana's response to questions raised concerning the overlapping of issues in this Cause with Cause No. 41324 included a preliminary matter regarding the distribution of docket entries. This concern was raised at the Preliminary Hearing and was addressed in the docket entry issued immediately after the Preliminary Hearing. Therefore, Ameritech's comments and suggestions in this regard are moot. Ameritech Indiana also included general comments on Commission consultants and requested reconsideration of our decision to hire Mr. Darr and MTG. An attorneys' conference was scheduled for June 13, 2000 at 2:00 P.M. to address these comments. However, because no contracts were executed with the Commission consultants, the informational meeting scheduled for Friday, June 16, 2000 had to be postponed. Therefore, Ameritech Indiana requested that the attorneys' conference set for June 13, 2000 also be continued. Rather than rescheduling the attorneys' conference, the presiding officers address Ameritech Indiana's comments herein.

The parties were informed at the April 14, 2000 attorneys' conference that the Commission was utilizing Mr. Frank Darr from NRRI to assist the Commission in the development of the overall strategy and preparation of the Commission's RFP process. We have been consulting with Mr. Darr regarding the overall process in this Cause since March. The Commission also stated its plans at the April 14, 2000 attorneys' conference to pursue an RFP proposal to select a project administrator who will serve as surrogate staff and be advisory in nature. The Commission asked parties to comment on those topics and were given until May 1, 2000 to file responses to the Commission's proposal and until May 8, 2000 to file any replies. A docket entry was issued on May 26, 2000 finding that Maxim Telecom Consulting Group ("MTG") will be hired to serve as the Commission's Surrogate Staff in this proceeding. MTG will concentrate on providing the Commission with advice and technical expertise with regard to third-party testing of Ameritech Indiana's OSS. The docket entry stated that the Presiding officers believe that MTG's work with the Regional Oversight Committee's ("ROC") 13-state test of US WEST's OSS will assist IURC staff with making recommendations concerning third-party OSS testing to the Commission. We also found that Mr. Darr should be hired to assist Commission staff with the overall administration of this docket. While MTG's assistance to the Commission will largely consist of technical assistance in the area of third-party OSS testing, NRRI will advise the Commission on the overall structure of the proceeding and 271 issues generally. Therefore, it is our expectation to utilize Mr. Darr on a limited basis. The May 26, 2000 docket entry also outlined the safeguards implemented to preserve the integrity of this proceeding.

Ameritech Indiana's comments of June 8, 2000 state that since the project administrator has been hired, it is unclear what purpose Mr. Darr will serve. However, the parties have been aware for quite some time that we intended to hire outside consultants to serve in an advisory capacity to the Commission. The hiring of Mr. Kern to serve as facilitator does not satisfy the stated intent of the Commission to have a consultant available to advise the Commission. The decision to hire Mr. Kern was made with the understanding that it is imperative that the Commission also be able to utilize consultant expertise as advisory.

The Commission understands Ameritech Indiana's concerns regarding the potential costs of the consultants hired by the Commission. We also understand that this Cause involves a unique situation that we believe creates a critical need for the Commission to have consultants available to the Commission in an advisory capacity. We want to assure Ameritech Indiana that it is not our intent to abdicate our responsibilities to the consultants. We intend to utilize our own staff to the greatest extent possible and therefore be conservative with the use of the outside consultants. This process began with the concerns raised primarily by Ameritech Indiana about the appropriate roles of consultants. Subsequently, the Commission found that Mr. John Kern should be hired as the facilitator of the collaboratives to be conducted in this proceeding. That decision was based on the filings of the parties which agreed that there would be many efficiencies associated with retaining Mr. Kern because of his involvement with collaboratives in other Ameritech states. However, we were also convinced that his role as facilitator would prevent his ability to advise the Commission in any way. Therefore, the Commission looked elsewhere for consultants who could aid in the effectiveness of the processing of this Cause. As we agreed with the parties that

Mr. Kern should be hired because of efficiencies, the same reasons are applicable to our decision to hire Mr. Frank Darr of NRRI and MTG Consulting. Both Mr. Darr and MTG have experience in Section 271 proceedings with the ROC. Therefore, the same efficiencies we found appropriate for Mr. Kern also apply to Mr. Darr and MTG. We believe that this is a process by which we can expect to benefit from the experience and avoid mistakes that may have occurred elsewhere.

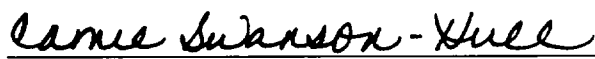
The Commission has expended a great deal of its limited resources to the processing of this Cause thus far. The presiding officers requested comments from the parties at the April 14, 2000 Preliminary Hearing regarding the hiring of consultants and concerns surrounding the appropriate roles thereof. In response to those comments, largely due to Ameritech Indiana's stated concerns, the Commission devised a plan that ameliorates those concerns. Now Ameritech Indiana decides it does not like that plan either and encourages the Commission to "follow the lead of other Ameritech state commissions and participate in ongoing proceedings in the Ameritech region." It is noteworthy that Ameritech Indiana seems to encourage the Commission to incorporate what has been done in other states in this case, and argue the opposite position in others. (See Comments of Ameritech Indiana filed in Cause No. 40611 on May 3, 2000.)

In the June 8, 2000 responses, Ameritech Indiana and other parties also recommended that the Commission utilize a regional approach for the development of performance measures for OSS and third party testing in this Cause. The Commission has supported a regional approach, and continues to do so, which could also result in a cost savings, but we are uncertain about the implementation of such approach. We welcome further input and suggestions on the specifics of such approach. While we agree that there may be work done in other states that can be capitalized upon, we do not believe it appropriate to incorporate those results into our proceeding without Commission review. As stated elsewhere herein, while taking advantage of the efficiencies, we can also avoid the pitfalls. We do believe that to the extent that Ameritech Indiana and other parties have agreed to specific performance measures, testing guidelines, etc. in another state, importing those guidelines into this proceeding for Commission review should not be contentious and can serve to expedite this investigation. Therefore, we do not believe that the absence of a Commission determination concerning a regional or multi-state OSS testing should delay this proceeding.

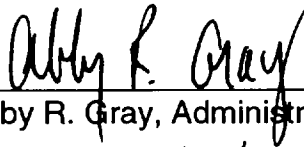
Finally, the contracts with the consultants need to be in place in order to proceed in this Cause. As previously stated, we understand Ameritech Indiana's need to prudently arrange its financial commitments. We believe MTG and NRRI are familiar with the projections for the scope of their work with us and are prepared to adequately negotiate contracts. We find that the contracts should be executed within five (5) business days from today, or June 20, 2000. If this process is not successful, although it is not the desire of this Commission, we may need to reconsider the entire processing of this case and one alternative would be to return to a more traditional procedure utilized by the Commission.

The informational meeting previously scheduled for June 16, 2000 should be continued to July 7, 2000 at 10 a.m. in Room TC10 of the Indiana Government Center South, 302 W. Washington Street, Indianapolis, Indiana.

**IT IS SO ORDERED.**

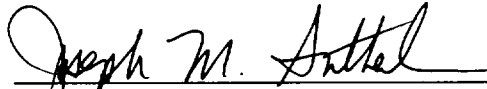


Camie Swanson-Hull, Commissioner



Abby R. Gray, Administrative Law Judge

Date: 6/13/00



Joseph M. Sutherland,  
Secretary to the Commission